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# Analysis of Supporting and Inhibiting Factors for the Implementation of Digital Transformation on the Potential for Improving the Work Ethic of the Fakfak Regency Community

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#### **Abstract**

The implementation of digital transformation has a positive impact on improving people's economic work ethic to be more productive. Empirical facts show that there are still many things that have not been able to be followed by people's behavior to be encouraged to be more productive because there is still an unwise use of information technology. The research aims to find out the factors that are the drivers and hinders in the implementation of digital transformation in society. The research was carried out during September – December 2023. Descriptive research method with a combination of quantitative and qualitative analysis approaches. Data was obtained through a direct survey of respondents who had been deliberately determined. The data obtained are given a weight value based on the assessment indicators obtained from the results of the preliminary research. The validity and reliability of the data were tested gradually and in a structured manner using the triangulation and role sharing approaches. The results of the study are presented in the form of a spider web diagram equipped with illustrations of shift share gap values, Ishikawa diagrams, Pearson correlation analysis, and regression equation models obtained from the SPSS statistical device version 2.3.

**Keywords:** Digitalization, Cultural Customs, Behavior and Work Ethic

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#### 1. Introduction

The existence of hilly areas with abundant natural resource potential; requires an extra hard work ethic from the local community to build the economy in their area. The presence of the industry 4.0 era which brings significant changes to the order of human life in the form of the development and expansion of the implementation of digital transformation; It should be a means that can encourage human economic civilization to advance faster.

Research (Aysa, 2021) states that the current digital economy continues to develop in the world, including in Indonesia, this is marked by the increase in internet users. At the beginning of 2021, internet users in Indonesia reached 202.6 million people, an increase of 15.5 percent or 27 million people when compared to January 2020. Especially during the Covid-19 pandemic, which has changed the service mechanism and consumer behavior. Business actors need to innovate in order to harmonize the new habits of consumers from a conventional buying and selling model to e-commerce. The Indonesian Ecommerce Association noted that as of March 2021, the number of MSMEs incorporated in various marketplaces has reached around 4.8 million. This figure has increased from the end of 2020 of 3.8 million. However, it turns out that the progress of digitalization not only brings benefits to business actors who are able to develop in keeping up with technological advances, but also creates inequality for those who are unable to keep up with the development of digitalization.

Fakfak Regency urgently needs an important role in the digital transformation process to encourage micro, small to medium enterprises to be developed by the community to become global. However; The biggest obstacle for Fakfak district is the number of people who are still very small with the vastness of the terrain and the availability of natural resources that are very open. According to (BPS, 2017) the population of Fakfak district in 2017 was only recorded at 74,872 people, developing until 2021 reaching 89,253 people with a population density of only 2 people per Km2.

#### 2. Material and Method

Descriptive research method with a combination of quantitative and qualitative analysis approaches. Data was obtained through a direct survey of respondents who had been deliberately determined. The data obtained are given a weight value based on the assessment indicators obtained from the results of the preliminary research. The validity and reliability of the data were tested gradually and in a structured manner using the triangulation and role sharing approaches. The results of the study are presented in the form of a spider web diagram equipped with an illustration of the shift share gap value, and a regression equation model obtained from the SPSS statistical device version 2.3.

# 2.1 Design Study

The data collection technique was carried out in stages consisting of: initial survey, preparation of research achievement targets, preparation of indicators, and preparation of questionnaires, as well as in-depth interviews with target data sources. In-depth interviews with the target respondents of the study, were also inventoried using a voice recording device.

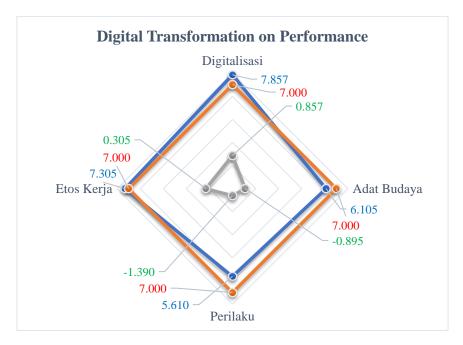
# 2.2 Data Analysis

The source of data is provided directly by collecting directly from the object of distributing the questionnaire to selected respondents in the Fakfak Regency area.

Research data was obtained from interviews using questionnaires. The results of the interview are weighted in the form of numbers on a scale of 1-10. Considering that the origin of the data is information obtained from the results of interviews; Then the validity of the data was tested using the triangulation technique. According to (Alfansyur & Mariyani, 2020), (Bachri, 2010), and (Sa'adah, Rahmayati, & Prasetiyo, 2022) stated that the triangulation

technique is the most effective way to test the validity of data. With the help of this technique, the researcher can convince himself that the data obtained comes from an honest statement or answer. The results of the data weighting can be analyzed using statistical tools to find regression equation models. Through the regression equation, researchers can describe the results of the study and draw conclusions.

3. Result Profit Net - Digital Transformation Profit Against Performance



The cultural custom factor of the network with a negative score (-0.895) shows that the existing network can still be improved in a faster time so that the potential for increasing the work ethic of the people of Fakfak Regency can run well as expected at the standard value (7,000). Meanwhile, the Behavior factor has the highest negative score (-1,390), indicating that behavior can be improved even harder in a faster time. The Digitalization factor had the highest positive score (0.857), indicating that the gap could still be increased in a faster time compared to the work ethic gap.

# **Multiple Linear Regression Analysis**

Table 1. Analysis of the Regresi Linier Berganda

Coefficientsa									
				Standardized					
		Unstandardized Coefficients		Coefficients					
Model		В	Std. Error	Beta	t	Mr.			
1	(Constant)	7,600	1,592		4,772	,000			
	Digitization	,041	,113	,047	,361	,719			
	Adatbudaya	-,100	,074	-,148	-1,349	,180			
	Behaviour	,004	,077	,009	,054	,957			
	Etoskerja	-,046	,109	-,085	-,418	,677			
a. Dependent Variable: Kinerja									

The results of the data processing of the Managerial Aspect Multiple Linear Regression analyst will be explained as follows:

$$Y = 7,600 + 0.041X1 - 0.100X2 + 0.004X3 - 0.046x4$$

- a. For the Performance variable (Y) has a constant of 7,600, it means that the positive value indicates a unidirectional influence between the independent variable and the dependent variable. The high value of the constant shows that if all of the X variables below are 0 (zero), then Y on average is 7,600
- b. For the Digitization variable (X1) has a value of 0.041, if the variable (X1) increases by one unit, then Y will also experience an increase of 0.041 assuming that the other variables are in a constant condition.
- c. For the Adatbudaya variable (X2) has a value of -0.100 if the variable (X2) increases by one unit, then Y will experience a decrease of -0.100 assuming that the other variable is in a constant condition.
- d. For the Behavior variable (X3) has a value of 0.004 if the variable (X3) increases by one unit, then Y will also increase by 0.004 assuming that the other variable is in a constant condition.
- e. For the work ethic variable (X4) has a value of -0.046, if the variable (X4) increases by one unit, then Y will also experience a decrease of -0.046 assuming that the other variables are in a constant condition.

# **Determination Coefficient Analysis**

Table 2. Determination Coefficient Analysis

Model Summary								
			Adjusted R	Std. Error of the				
Model	R	R Square	Square	Estimate				
1	,210a	,044	,006	,437277				
a. Predictors: (Constant), Work ethic, Customs, Digitalization, Behavior								

From the table above, it can be seen that the R Square is 0.044 or 4.4% which means that the ability of the Independent variable to the dependent variable is 4.4% while the remaining 95.6 explains the other variables of this study.

# 4. Discussion

Analysis of Supporting Factors and Obstacles to the Implementation of Digital Transformation on the Potential for Improving Community Work Ethic in Fakfak Regency is limited to the scope that focuses on observing the characteristics of the community in terms of the use of gadgets. The use of gadgets as the most commonly used tools or devices by the public in the industry 4.0 era is a form of the ongoing digital transformation process. This transformation process is certain to have advantages and disadvantages, as well as various factors that can spur the acceleration of development as well as its inhibiting factors.

Cultural customs, competencies, and behavior factors are the limitations of the focus of observation in the implementation of research to find out the extent to which the economic work ethic of the people of Fakfak district can be improved. The increase is part of a positive performance to improve regional economic capabilities in Fakfak district.

# 5. Conclusion, Implication, and Recommendation

The results of the study show that in general, Digitalization and behavior are able to increase integrity between business cooperation actors of Fakfak Regency's superior products have been running well and have positive values. However, it has not been balanced with good

cultural customs and work ethic, so that it has a negative impact on the integrity between business cooperation actors of superior products in Fakfak Regency.

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